GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4735
ANSWERED ON:23.05.2006
INDIAN COMPANIES IN ENGINEERING SERVICES
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of Indian companies providing offshore engineering services in different fields;

(b) whether these companies are capable of offering engineering services;

(c) if so, the details thereof; and

(d) the steps taken by the Government to promote their services to compete in the international market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a), (b) & (c): Offshore engineering services provided by Indian companies include high end services such as conceptual design, feasibility reports etc. and low end services viz, detailing, drafting, Bills of Material (BOMs), as-built documentation, etc. The services are provided in wide range of areas such as Machine Components, Electrical Engineering, Civil Engineering, Structural Engineering, Architectural design, Building design, Facilities Engineering for Industries, etc.

Project Exports Promotion Council of India (PEPC) has reported that their member companies who can offer offshore engineering services are indicated below. This is, however, not exhaustive. The strengths and specializations of each of these companies are also indicated.

Name of the Company	Strengths & Specializations
Rites Ltd., Gurgaon (Haryana)	Feasibility studies, design, engineering, construction supervision, project management, operation management & maintenance, procurement services and privatization in transport & infrastructure sectors.
Toyo Engineering India Ltd., Mumbai	Engineering, procurement and construction services to the fertilizer, Chemical, Petrochemical, Refinery and Oil and Gas sectors from concept to commissioning on lump sum turnkey basis.
Gannon Dunkerley & Company Ltd., Nehru Place, New Delhi.	Investigation and surveys, projects reports, planning, engineering design, Engineering drawings, consultancy services for structural and civil engineering, material handling equipment like conveyors systems on turnkey basis. Mechanical engineering specialized in machinery erection and process piping. Pilling and Foundation engineering, Manufacturing of Pre-stressed concrete sleepers for railways.

(d): Government has taken a number of steps to promote export of services including engineering services. Under Foreign Trade Policy, the exporters of engineering services qualify for Duty Free Credit Entitlement incentive under `Served From India Scheme`, provided that they have a total foreign exchange earning or earning in Indian rupees that are otherwise considered as having been paid in free foreign exchange by RBI, of at least Rs. 10 lakhs in the preceding or current financial year.

Besides, in order to give proper guidance and encouragement to the services sector, Government has decided to form an exclusive Export Promotion Council for Services with the main purpose of:

(i) map opportunities for key services in key markets and develop strategic market access programmes for each components of matrix;

(ii) coordinate with sectoral players in undertaking intensive brand building and marketing programmes in target markets; and

(iii) make necessary intervention with regard to policies, procedures and bilateral/multilateral issues, in coordination with recognized nodal bodies of the services industry.